

From: "Henry Austin" <haustin@osmre.gov>
To: <pamgrubaughlittig@utah.gov>
Date: 3/15/04 12:21PM
Subject: Re: Cottonwood Fan Portal BR

Hi Pam:

See attached OSM concurrence letter for the Cottonwood Fan Portal.....(boy.....I'm glad this is done.....HA!!)

Should go out today or tomorrow.
Thanks Pam.....Henry.

>>> "Pam Grubaugh-Littig" <pamgrubaughlittig@utah.gov> 03/12/04 11:59AM
>>>
Thanks, Henry.

>>> "Henry Austin" <haustin@osmre.gov> 03/12/04 08:20AM >>>
Hi Pam:

Just got your voice mail from yesterday, I was on travel this week.
Bob Postle was not able to complete the review I requested last week,
and I have been out all week.
I assume Bob did complete his review this week, so I will try to
complete our concurrence (assuming Bob's review is favorable which I
think it will be) on March 16 when I return to the office.
Thanks Pam.....Henry.

March 15, 2004

Mr. Lowell P. Braxton,
Division Director
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: Decision Document to Approve Phase I Bond Release at the PacifiCorp,
Cottonwood/Wilberg Mine, Cottonwood Fan Portal, C/015/019**

Dear Mr. Braxton:

This letter acknowledges the Office of Surface Mining's (OSM) receipt and review of the subject decision document dated September 5, 2003, which was prepared by the Utah Division of Oil, Gas and Mining (DOGM). The Cottonwood Wilberg permit area, including the Cottonwood Fan Portal disturbed area, contains Federal lands. OSM is in agreement with the decision document and hereby provides OSM concurrence to release Phase I bond on the Cottonwood Fan Portal reclamation area as documented below and in accordance with the Federal regulations at 30 CFR 740.15 (d) (3), and 30 CFR 944.30, Article IX, section B, of the Federal-State, Federal lands cooperative agreement.

The decision document recounts the permitting, operational, and reclamation activities at the Cottonwood Fan Portal. DOGM finds the permittee has met or exceeded the requirements found at Utah Rule R645-301-880 including notification of affected surface landowners and adjacent landowners, government land management agencies, local governmental bodies, planning agencies, and water treatment authorities. The permittee's intention to seek Phase I bond release notification was published in the Emery County Progress (final May 6, 2003), and no public comments were received.

DOGM provided the required notifications for the April 2, 2002, bond release inspection, a DOGM April 9, 2002, Technical Field Visit report documents the inspection findings, and the Technical Field Visit report was provided to OSM with the decision document package. OSM, and the United States Forest service (USFS) were notified of the inspection but did not attend. DOGM, the permittee, the Bureau of Land Management (BLM), and a representative of the Corporation of the Presidency, Church of Jesus Christ of Latter Day Saints (LDS Church-landowner at this site), participated in the inspection. The BLM's concurrence letter for this Phase I bond release was received by DOGM on October 9, 2003, (attached) and provided to OSM.

Cottonwood Fan Portal, Phase I bond release; pg. 2

BLM's concurrence letter documents that the Old Johnson Mine complex, adjacent to the Cottonwood Fan Portal permitted area, did not affect Federal coal, and therefore as an adjacent landowner BLM concurs with the Phase I bond release. Hal Gardner, LDS Church representative, expressed concern about the sealing of the Old Johnson Mine Portals, and will work directly with the DOGM Abandoned Mine Lands group regarding the portal closures. No other Federal land management agencies were involved in this action.

The permittee has demonstrated compliance with the backfilling and grading requirements, surface water runoff control, and monitoring requirements necessary to secure Phase I bond release. Specific mining and reclamation plan findings are documented in the above DOGM decision document and technical analysis for this bond release. DOGM recommends Phase I bond release on 6.1 acres.

The mining and reclamation plan was modified as a result of the technical analysis and bond release inspection on April 9, 2002, to reflect the onsite drainage control and diversion configuration(s). Both sediment ponds have been removed, and the applicant and DOGM provided OSM with the 2002 Cottonwood Vegetation Monitoring Data, and Justification to Remove Sediment Basins Data. OSM has reviewed these submittals and is in agreement with the findings to remove the sediment basins.

DOGM recommends a bond reduction of \$45,882 from the current total bond amount of \$3,082,582. The remaining bond amount of \$3,036,704 is sufficient to assure completion of any remaining reclamation, and required environmental monitoring. OSM concurs with DOGM's recommendation to release Phase I bond from 6.1 acres in the amount specified above, and OSM finds the permittee has met or exceeded the requirements of Utah Rule R645-301-880.

Thank you and your staff for coordinating this Federal lands bond release with OSM's Denver Field Division. Please address any questions concerning this letter to Henry Austin, Senior Reclamation Specialist, at haustin@osmre.gov or to (303) 844-1400 x1466.

Sincerely,

James F. Fulton, Chief
Denver Field Division

1 Attachment

cc Energy West Mining Co.
BLM, Salt Lake City, UT



